

Articles of Association

BITKOM

**Federal Association for Information Technology,
Telecommunications and New Media**

Version as of 18 June, 2010

BITKOM e. V. Articles of Association

Page 2

§ 1 Name, domicile, legal form and fiscal year

1. The association bears the name "BITKOM Federal Association for Information Technology, Telecommunications and New Media" and will be referred to as "BITKOM" in the following. It is registered under the number 19542NZ in the register of associations at the Charlottenburg District Court.
2. BITKOM is an association in terms of the § 21 BGB (German Civil Code).
3. BITKOM is domiciled in Berlin.
4. The fiscal year is the calendar year.

§ 2 Purpose and tasks

1. BITKOM represents the joint economic, commercial, technical and scientific interests of suppliers of products, software and services in information technology, telecommunications, new media and Internet commerce, with regard to politics, economics and the general public on the German, European and global level. Furthermore, BITKOM represents the joint interests of associations active in these fields by upholding the legal competitive order.
2. The primary goals of BITKOM are: the development of a strong ICT field in Germany, which is effective on an international scale, an increase in the corresponding domestic added value, and creation of jobs.
3. BITKOM's core activities are:
 - acting as a political lobby group in federal and state governments,
 - representation of interests within the scope of European and international associations and directly for international organisations,
 - representing the field to the general public via active public relations and marketing,
 - representing the field to trade show companies, other associations and social actors,

BITKOM e. V. Articles of Association

Page 3

- organisation of ongoing exchange between specialists and managers in the field, and provision of cooperation platforms for members,
 - informing members of relevant developments,
 - support of technological development and standardisation,
 - support and development of the information and communication technology markets,
 - collaborations with companies from other industries, which use ICT or develop ICT as a part of their products or solutions.
4. BITKOM provides a balanced representation of the field while taking the interests of mid-sized companies and start-ups into special consideration.
 5. BITKOM does not pursue any goals related to economic business operations or any party political aims. BITKOM does not act in order to earn a profit.

§3 Membership

1. Companies which provide essential services in the fields defined in § 2 clause 1 may obtain regular membership in BITKOM. Membership can also be obtained by business associations which are active in the field defined in § 2 clause 1 and which represent supplier interests.
2. Membership requires that companies have a domicile or business premises in Germany in terms of § 12 of the Fiscal Code of Germany.
3. Membership is voluntary.
4. Companies which are connected to a BITKOM member company in the manner described below can obtain regular membership in BITKOM under the scope of a group membership. A company connection which enables group membership exists if:
 - a) a company directly or indirectly owns at least 50% of the shares of one or more BITKOM member companies.

If a parent company itself does not apply for membership, the group membership can, upon request, be utilised without the company's membership via the associate company in which the

BITKOM e. V. Articles of Association

Page 4

- parent company directly or indirectly owns a share of at least 50%.
- b) a BITKOM member company directly or indirectly has a share of at least 50% of the other company. Companies may only be admitted into BITKOM under the scope of a group membership if this was expressly requested during admission into the association. Upon request, a current membership can be transferred into a group membership at any time if the requirements have been met.
 - c) two BITKOM member companies each directly or indirectly own a share of 50% of a joint venture company and have stated this in writing.
5. Upon request, the steering committee can also grant an associated membership to companies and organisations, which do not meet the requirements of a regular membership in accordance with the articles of association and individual natural persons who are merchants or freelancers (independent contractors) and do not simultaneously hold a position in a company, and for whom membership is available according to § 3 clause 1.
 6. Interested parties must present a written membership application to management. The steering committee decides on membership. The steering committee can delegate this right.
 7. As founding members, the following persons are also regular members:

Heinz Bäurer, Hüfingen/Behla
Josef Brauner, Jüchen
Eberhard Färber, Munich
Jörg Menno Harms, Stuttgart
Dr. Volker Jung, Munich
Werner Schmücking, Munich
Erwin Staudt, Leonberg.
 8. Furthermore, the steering committee can create personal memberships at its discretion if the respective person agrees to the steering committee's proposal. Personal members have distinguished themselves with outstanding services in the field. Their membership rights can be restricted by the steering committee. In particular, they do not have voting and electoral rights.

BITKOM e. V. Articles of Association

Page 5

9. Figures who have delivered outstanding services in the ICT field can be awarded an honorary membership by the management board. Honorary members do not have voting or electoral rights.

§ 4 Members' rights and obligations

1. The owner, board members, Managing Director, board of directors and full-time employees of every regular member are authorised to use BITKOM facilities and services. BITKOM member associations may only make use of this right of use via the employees of their branch office or members of their board of directors or steering committee. The rights of use of associated and personal members are defined by the steering committee and can be adjusted in individual cases.
2. The members are bound to BITKOM's decisions according to the articles of association. Moreover, they are obligated to pay the designated membership fees and contributions and provide BITKOM management and committees with relevant information on time and in a truthful manner so that they may complete their tasks. Members may not disclose confidential information to third parties.
3. Members can delegate owners, board members, Managing Directors, boards of directors and full-time employees to working groups, forums, study groups, technical and steering committees, discussion groups and other types of committees and subdivisions according to the framework bylaws or bylaws of the corresponding committee or subdivision. The work results generated in the committees or subdivisions are provided to BITKOM. BITKOM receives an irrevocable, simple, non-expiring, free, global and transferrable right of use for all the abovementioned work results.

§ 5 Membership period

1. Membership begins with the steering committee's decision on membership.
2. Membership ends via voluntary cancellation of membership, dissolution of the member's organisation, expulsion of the member, or death.
3. The management board can expel a member if he violates the terms of the articles of association, in particular, if he does not comply with his fee and contribution obligation, if a procedure has been initiated for a member's assets according to the Insolvency Statute or the

BITKOM e. V. Articles of Association

Page 6

initiation of this type of procedure has been rejected for lack of assets or the member has grossly damaged the reputation of BITKOM. The management board can delegate this right. The member must be given the opportunity to submit a statement prior to the expulsion.

4. Every member can withdraw from BITKOM with a cancellation period of six months to year end. The membership must be cancelled in writing to BITKOM management, per registered mail to provide proof of receipt. The member remains bound to the articles of association, membership regulations and any additional obligations, e.g. contributions, for the remainder of his membership.
5. Members who withdraw or are expelled from BITKOM relinquish all rights to the association's assets with the day of their withdrawal or expulsion. Paid fees and other services are not reimbursed.

§ 6 Fees

1. Fees are collected from all members, with the exception of personal members, founding members and honorary members, according to the membership regulations, as decided by the BITKOM general meeting based on the steering committee's proposal.
2. The general meeting can enact extraordinary fees or contributions to cover the costs of specific projects within the scope and tasks of BITKOM. BITKOM passes the fee it is required to pay as a member of the BDI (Federation of German Industries) on to its regular members, with the exception of personal members, founding members and honorary members.

§ 7 Bodies

The BITKOM bodies are: the general meeting, management board, steering committee and executive board.

§ 8 General meeting

1. The general meeting is the highest body and decides on all questions which fundamentally affect BITKOM or, upon request from the executive board, steering committee or management board, to the BITKOM President. In particular, the general meeting is also responsible for the selection of the management board, amendments to the articles of association, the membership regulations, dissolution

BITKOM e. V. Articles of Association

Page 7

of BITKOM, and the removal of the management board, steering committee, executive board and management.

2. The general meeting takes place:
 - a) as required by the interests of BITKOM, but at least every other fiscal year,
 - b) within a period of eight weeks, if requested from the president in written form by at least 10% of members, including information on the purpose and reasons.
3. The invitations to the physical general meetings must be delivered in written form and include the time and location of the meeting as well as the agenda. The invitations must be delivered at least four week before the day of the meeting. The convocation of the meeting in written form does not require a handwritten signature of the person entitled to an invitation as listed in clause 4. Every regular member can request an amendment to the agenda in written form up to two weeks before the meeting; § 14 clause 1 remains unaffected. The obligatory discretion of the steering committee determines whether this amendment will be carried out. However, it must be carried out if at least ten per cent of members support the motion.
4. The general meeting is called and led by the BITKOM President and, if he is unable to do so, by the oldest available Vice President. The meeting can appoint a different chairman of the meeting upon request by at least two thirds of the participating members.
5. Every regular member has a vote in the general meeting. Representation by another regular member is permitted via simple power of attorney in written form. One member can represent up to three additional members.
6. The general meeting fundamentally constitutes a quorum without taking the number of participants into consideration and decides with simple majority of the votes cast. Decisions on amendments to the articles of association and the dissolution of BITKOM require the approval of at least 2/3 of the votes cast. Under no circumstances are abstentions, votes which were not cast, or invalid votes included in the calculation of the majorities, irrespective of the selected voting procedure. The chairman of the meeting determines the decision results.
7. Decisions and votes (hereinafter summarised as "Resolution") from the general meeting can either be carried out among those present or, outside of the framework of a physical meeting, with votes in

BITKOM e. V. Articles of Association

Page 8

written form. A resolution which is carried out via video conference is also considered a resolution among those present.

In the case of a resolution via a vote in written form, the person who would have chaired the general meeting which is thus being replaced in accordance with clause 4 (hereinafter "vote chairman"), must provide all members who are eligible to vote with the resolution draft in written form and include the type of voting he has designated. At the same time, a deadline of one week, within which the resolution can be vetoed in written form, must be set for the members, and a simultaneous additional deadline of two weeks, within which the vote in the factual issue must be received by the recipient named in the resolution draft. Votes received after the deadline will not be taken into consideration. If at least 1/10 of members veto the resolution in written form within the one-week deadline, the resolution is inadmissible.

8. Every regular member participating in a vote has one vote for each seat to be assigned. Under no circumstances does a member have more votes than there are seats to assign. A consolidation of votes for one candidate is not permitted. The vote can be conducted via negative votes and as a list selection, based on the decision by the chairman of the meeting. The person who receives the most votes is selected. A run-off vote will be used in case of a tie. Clause 5 applies accordingly. For management board elections, every regular member has the right to recommend candidates for membership on the management board. Management must receive the recommendations at least eight weeks before the general meeting. The preceding deadline does not apply if the deadline of the general meeting was not announced in written form at least ten weeks before the meeting; the announcement on the BITKOM website is sufficient for this.
9. For votes and resolutions with physical general meetings, meeting minutes must be prepared and signed by the chairman of the meeting. In the case of a resolution via a vote in written form, the vote chairman must determine the result of the resolution, inform all members of the association in writing and prepare minutes.

§ 9 Management board

1. The BITKOM management board consists of a minimum of 5 and maximum of 100 selected people who - as long as the general meeting does not decide otherwise in individual cases - must be owners, board members or managing directors of member companies or board members of member associations. They are selected by the general meeting and should adequately represent the

BITKOM e. V. Articles of Association

Page 9

members of the various industry segments of BITKOM as much as possible with regard to technical and structural aspects. Furthermore, the corresponding chairmen of member associations, which were members of the association as of 01/08/2004, and the chairman of BITKOM's Forum Mittelstand (forum on mid-sized businesses) receive a place on the management board ex officio. This seat can be transferred to one of the vice chairmen. In addition to the selected persons, the management board has the right to co-opt up to 20 representatives of BITKOM members for the corresponding term of office. Management, the executive board, and the steering committee can recommend management board candidates to the BITKOM president.

2. Membership in the management board is personal and carried out on a volunteer basis.
3. The term of office of the members selected for the management board is two years. Re-election is permitted. The office of a member of the management board expires due to resignation, death, selection of a successor, end of the membership with the corresponding member organisation, relocation of the elected member to a non-member company or dismissal due to a decision of the general meeting. If a new management board could not be elected following expiration of the two-year term of office, the previous members of the management board will carry out the duties of their office in an acting capacity until a new election has been held. If a member of the management board loses his position as managing director or his position on the board of directors of the company, but remains authorised to represent the corresponding BITKOM member, he also retains his place on the management board. If a management board member resigns during his term of office, the management board can appoint a management board member for the remaining term of office.
4. The management board is responsible for all BITKOM affairs, inasmuch as they are not reserved by legal regulations or the articles of association of other bodies. In particular, the board is responsible for
 - a) selecting members of the steering committee,
 - b) deciding on the budget prepared by the steering committee,
 - c) approving the annual financial statement based on the steering committee's report,
 - d) deciding on the expulsion of members based on the steering committee's recommendation,
 - e) carrying out the tasks assigned by the membership regulations.

BITKOM e. V. Articles of Association

Page 10

5. Every member of the management board has the right to recommend candidates for election to the steering committee. The recommendations are submitted to the chairman of the meeting during the constituent management board meeting.
6. Management board meetings must be called in the name of the president of the association with a minimum of one week's notice. § 8 clauses 3 and 7 apply for the form and content of the convocation of the meeting. The general meeting is led by the BITKOM President and, if he is unable to do so, by the oldest available Vice President. The management board constitutes a quorum if half of its members participate in the resolution. It decides with a simple majority of the votes cast. If at least 1/4 of the members of the management board veto the resolution in written form within the one-week deadline according to § 8 clause 7, the resolution is inadmissible. In addition, § 8 clause 4, 5 sentences 1-3, clause 6 sentence 3, clause 7, clause 8 sentences 1-6 and clause 9 of the articles of association apply accordingly with the stipulation that the result of the resolution must be communicated to the members of the management board in writing.

§ 10 Steering committee

1. The steering committee is composed of the president, up to 3 vice presidents, the treasurer and additional members of the BITKOM management board. The steering committee has up to 16 members, 13 of which are elected, and up to three additional members who can be co-opted from the management board by the steering committee. Its composition should reflect the structure of the industry. Furthermore, if a member of the steering committee resigns during his term of office, the steering committee can co-opt a member of the steering committee from the management board for the remaining term of office. § 9 clause 2 applies analogously.
2. The term of office of the president and vice president is two years. It ends with the election of a successor. Re-election is permitted; the office of the president is limited to one re-election. Members of the steering committee submit candidate recommendations to the chairman of the meeting during the constituent steering committee meeting.
3. The president, vice president and treasurer are executive board members in terms of § 26 BGB (German Civil Code). They remain in office until new elections have been held. Two members of the executive board jointly represent BITKOM judicially; an additional two members jointly represent BITKOM extrajudicially. The following

BITKOM e. V. Articles of Association

Page 11

applies internally: the president and an additional member of the executive board should represent the association; the president can delegate this right to one of the vice presidents if he is unable to do so.

4. In particular, the steering committee is responsible for:
 - a) selecting the chairman (president), vice chairman (vice president) and treasurer,
 - b) deciding on important questions, whose special meaning for the purposes and tasks of BITKOM has been determined by the executive board in accordance with § 2, provided that the resolution is not expressly reserved for the general meeting or management board,
 - c) preparing bylaws and guidelines for the association bodies, if necessary, deciding on membership applications, or recommending members to the management board for expulsion,
 - d) preparing the discussion topics and motions for the general meeting,
 - e) recommending membership regulations to the general meeting and carrying out the tasks assigned to it by the membership regulations,
 - f) creating and dissolving working groups, forums, study groups, technical and steering committees and discussion groups, and deciding on the bylaws of these groups,
 - g) deciding on the questions from the committees listed under f) on the resolution, upon request of the chairmain of the corresponding committee,
 - h) carrying out any tasks and work that the management board or general meeting assigns to it for independent completion,
 - i) preparing the budget and presenting it to the management board for resolution,
 - j) preparing the annual financial statement and presenting it to the management board for resolution,
 - k) preparing resolutions from the management board and general meeting,
 - l) appointing and dismissing the managing director and preparing bylaws for the managing director, if necessary.

5. In addition, § 8 clause 4, 5 sentences 1-3, clause 6 sentences 1 and 3, clause 7, clause 8 sentences 1-6 and clause 9 as well as § 9 clause 3 apply for the steering committee and executive board with the stipulation that the result of the resolution must be communicated to the members of the steering committee or executive board in writing. Deviating from § 8 clause 7, the Chief Executive Officer is the vote chairman for a written resolution from the

BITKOM e. V. Articles of Association

Page 12

steering committee and executive board. The resolution is inadmissible if 1/4 of the members of the steering committee or executive board veto it within the one-week deadline for this type of voting. Deviating from § 8 clause 7, the vote chairman can set shorter vote deadlines.

6. The steering committee can create bylaws for itself.

§ 11 BITKOM management

The association appoints a management team which works according to instructions from the executive board, and the chairman, in particular, to process BITKOM's current projects and manage its assets. The steering committee decides on appointment and dismissal.

§ 12 Working groups

1. For collaborations with companies, associations and other organisations which do not meet the requirements for membership in BITKOM in accordance with the articles for association, the steering committee can create working groups as subdivisions of BITKOM. All BITKOM members who are active in the corresponding work area have the right to become members of the working group.
2. The working groups receive their own bylaws and membership regulations based on the decision by the steering committee.

§ 13 Forum Mittelstand

BITKOM has created a forum for mid-sized companies (Forum Mittelstand) in order to fulfil the goal it has set for itself in accordance with § 2 Section 3. The forum includes all mid-sized members of BITKOM. The forum selects its own chairman and vice chairman. For election and term of office, § 9 clause 1 sentence 1, second subclause and clause 2 and 3 of the articles of association apply accordingly. The steering committee appoints a member of management who is responsible for the Forum Mittelstand.

§ 14 Amendments to the articles of association and dissolution of BITKOM

1. Motions for amendments to the articles of association or the dissolution of BITKOM can be brought to the president by the steering committee or at least 1/4 of the members, in writing, with

BITKOM e. V. Articles of Association

Page 13

information on the purpose and reasons, and within a deadline of four weeks.

2. In the case of dissolution of BITKOM, the last general meeting has ownership of BITKOM's available assets following repayment of all obligations. The association's assets should be used for purposes under the terms of these articles of association. The corresponding resolutions from the general meeting may only be executed following approval by the responsible tax office.